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REGULATORY AUTH.

BEFORE THE TENNESSEE REGULATORY AUTHORITY  
NASHVILLE, TENNESSEE

MAR 1 PM 4 30

IN RE:      **Application of Memphis Networkx, LLC for a Certificate of Public Convenience and Necessity to Provide Intrastate Telecommunication Services and Joint Petition of Memphis Light Gas & Water Division, a Division of the City of Memphis, Tennessee ("MLGW") and A&L Networks-Tennessee, LLC ("A&L") for Approval for Amendment Between MLGW and A&L regarding Joint Ownership of Memphis Networkx, LLC**

**Docket No. 99-00909**

**DISCOVERY REQUEST OF NEXTLINK TENNESSEE INC.  
TO MEMPHIS NETWORKX, LLC, MEMPHIS LIGHT GAS & WATER AND  
A & L NETWORKS-TENNESSEE, LLC**

NEXTLINK Tennessee Inc. ("NEXTLINK") requests that Memphis Networkx, LLC ("Networkx"), Memphis Light Gas and Water Division ("MLG&W") and A&L Networks-Tennessee, LLC ("A&L"), both collectively and individually, answer each of the following interrogatories. These interrogatories are continuing in nature and Rule 26 of the Tennessee Rules of Civil Procedure requires you to seasonably supplement your responses to these interrogatories.

**I.      Preliminary Matters and Definitions.**

The term "identity" or "identify" as used herein, with respect to any person, means to provide the name, current residence address, current residence telephone number, current business address, current business telephone number, and the occupation or job title of that person; with respect to any other entity, those terms mean to provide the name by which said entity is commonly known, the current address of its principal place of business, and the nature of business currently conducted by that entity; with respect to any document, those terms mean to provide the date of the document, the identity of the author or preparer of the document, the type of document

(e.g., letter, memorandum, tape recording, etc.), the substance of the contents of the document, the title (if any) of the document, and the present or last-known location and custodian of the document and any copies thereof.

The term "document," as used herein, means any medium, including computers or other electronic media, upon which intelligence or information can be recorded, stored and/or retrieved, and includes, without limitation, the original and each copy, regardless of origin or location, of any book, record, report, statement, diary, notes, audiotape, videotape, computer disk, computer tape, computer printout, electronic or voice mail message, pamphlet, periodical, letter, memorandum (including memorandum, note or report of a meeting or conversation) or any other written, typed, reported, transcribed, punched, taped, filmed, electronic or graphic matter, however produced or reproduced, which is in your possession, custody or control or which was but is no longer in your possession, custody or control. "Document" shall include all copies of documents by whatever means made, including any non-identical copies (whether different from the original because of handwritten notes, underlining, blind carbon copy, or otherwise) and drafts of documents.

The term "relating to" or "relates to," as used herein, means evidencing, supporting, contradicting, constituting, containing, recording, discussing, summarizing, analyzing, disclosing, referring to in whole or in part, or otherwise pertaining to in any way.

For purposes of framing your responses to these interrogatories, the singular should be read to include the plural and vice versa.

With respect to each of the following interrogatories, in addition to supplying the information requested, please identify any and all documents that support, refer to, or evidence

the subject matter of each interrogatory in your answers thereto. If any or all of the documents identified herein are no longer in your possession, custody or control because of destruction, loss, or other reason, then you are requested to identify each such document fully, including the nature and type of the document, its date, the identity of the person who prepared the document, and the identity of the person or entity for whom it was prepared, and to the extent possible, you are requested to summarize the contents of the document and state the manner and date of the disposition thereof. If any of the requested documents are objected to or not produced on the basis of privilege, please include in your response to production, for each document, a written statement evidencing:

- a. The nature and type of the document;
- b. The date;
- c. The author of the document;
- d. The recipient;
- e. The sender; and
- f. A brief description of the contents sufficient to allow the TRA to rule on a motion to compel.

Consistent with the preceding definitions and preliminary matters, answer under oath the following specific interrogatories:

**II. Interrogatories**

1. Provide copies of all documents concerning MLG&W's decision to enter the telecommunications business, to partner with A&L, and to form Networkx.

**Response:**

2. Provide a copy of Networx's business plan.

**Response:**

3. Please indicate the applicable section of the charter of MLG&W which authorizes MLG&W to offer telecommunications service throughout Tennessee.

**Response:**

4. Please identify all existing sources of financing for Networx, including all amounts currently raised or committed.

**Response:**

5. Please describe the source of the funds which MLG&W has invested or intends to invest in Networx .

- (a) Explain how those funds are now being used by MLG&W.

(b) Explain whether and how MLG&W will be able to recoup those funds should Networx fail.

**Response:**

6. Please describe in full the accounting procedures that MLG&W has adopted to insure compliance with T.C.A. §§7-52-402 and 7-52-103(d) and/or to prevent cross-subsidization of Networx.

**Response:**

7. Provide a copy of any accounting rules, including any cost allocation manual, adopted by MLG&W or Networx for the purpose of compliance with T.C.A. §§7-52-103(d) and 7-52-402, and/or to prevent cross-subsidization of Networx.

**Response:**

8. Do MLG&W and Networx intend to abide by the FCC's affiliate transaction rules (47 C.F.R. § 32.27)? If not, please explain.

**Response:**

9. Will Networx and MLG&W comply with the structural separation provisions described in 47 U.S.C. 272(b)? If not, why not?

**Response:**

10. Do MLG&W and Networx intend to abide by the accounting safeguards approved by the TRA for Chattanooga Electric Power Board (Docket No. 97-07488)? If not, please explain.

**Response:**

11. Please provide copies of all requests for information you have received from the TRA since filing the application and joint petition and copies of all information you have

provided the TRA since filing the petition and application.

**Response:**

12. Provide a roster of all current, full-time employees of Networx and a brief description of each one's qualifications.

**Response:**

13. Provide a copy of all contracts between MLG&W and any other party concerning this petition and joint application.

**Response:**

14. Provide a copy of all contracts between Networx and any other party concerning this petition and joint application.

**Response:**

15. Provide a copy of all contracts between A&L and any other party concerning this petition and joint application.

**Response:**

16. Regarding A&L, please provide the following information:

- (a) A copy of A&L's authorization to conduct business in Tennessee.
- (b) A&L's articles of organization, charter, or other comparable document.
- (c) List all the members of A&L. If any member is an LLC or corporation, identify the members of that LLC or the stockholders of that corporation.
- (d) For each LLC or corporation listed above, provide a recent financial statement and three-year projected financials.

**Response:**

17. Will Networx obtain any support services from MLG&W? If so, please describe in detail the accounting treatment of those services by Networx and by MLG&W?



**Response:**

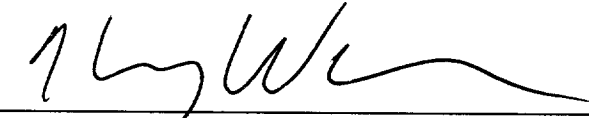
18. Will Networx, through advertising, company logo, or other public information be identified as being affiliated, directly or indirectly with MLG&W?

**Response:**

Respectfully submitted,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

By: \_\_\_\_\_



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CERTIFICATE OF SERVICE

I hereby certify that a true and exact copy of the foregoing document has been forwarded via U.S. Mail, postage prepaid, on this 1 day of March, 2000 to:

*and sent b. / fax also.*

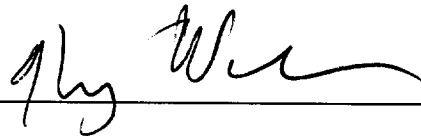
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A handwritten signature in dark ink, appearing to read "Guy Hicks", is written over a horizontal line.